

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PROGRAM  
STATE ARKANSAS

ATTACHMENT 4.19-B  
Page 7ff

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -  
OTHER TYPES OF CARE

Revised: March 1, 1998

19. Case Management Services (Continued)

**Target Group:**

This service will be reimbursed when provided to children who are Medicaid recipients age 0-20 who are at risk of delinquency as evidenced by being in the care or custody of the Department of Human Services, Division of Youth Services (DYS) or under the care of a designated provider (specified by DYS) for assessment, supervision or treatment.

There are two distinct targeted case management rates established for this target group. The first rate is established for services provided by qualified public sector providers within the Division of Youth Services. The second rate is established for qualified private sector providers. For each group of providers, an interim rate will be established. In order to ensure that such rate is reasonable for all providers, it will be based on - and continue to be bound to - the actual cost of providing case management services to the target population as reflected in DYS financial reports. To the extent that payments will be made to governmental service providers, in accordance with Federal Office of Management and Budget Circular No. A-87 requirements, such payments shall not exceed the costs of providing such services.

**QUALIFIED PUBLIC SECTOR PROVIDERS**

The Medicaid Targeted Case Management unit rate for qualified public sector providers will be determined as follows:

Compute the Actual cost of providing targeted case management services through DYS during its most recently completed 6 month period for which actual costs data exists, which includes case managers, their direct supervisory and support staff, and their indirect administrative staff. This cost includes salaries and benefits; other operating costs including travel, supplies, telephone and occupancy cost; and indirect administrative costs in accordance with Circular A-87.

Multiplied by Percentage of time spent by DYS case managers in performing case management work on behalf of children in the care or custody of DYS. This percentage will be taken from the current random moment time study (RMTS) which is performed each quarter by DYS. The RMTS is used to allocate and claim funds from the appropriate federal and non-federal programs.

Multiplied by Percentage of Medicaid recipients among number of clients serviced in the month. Taken together with the RMTS percentages, this will give the percentage of the total cost of case manager time described above that is allocable to targeted case management.

Equals Total cost for Medicaid Targeted Case Management Services.

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HCFA 174	98-01

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Revised: March 1, 1998

19. Case Management Services (Continued)

**Target Group:**

This service will be reimbursed when provided to children who are Medicaid recipients age 0-20 who are at risk of delinquency as evidenced by being in the care or custody of the Department of Human Services, Division of Youth Services (DYS) or under the care of a designated provider (specified by DYS) for assessment, supervision or treatment.

Divided by Six Months.

Equals Average monthly cost of Medicaid Targeted Case Management Services.

Divided by Number of clients in receipt of Medicaid to be served during the month.

Equals Monthly cost per Medicaid eligible client for Medicaid Targeted Case Management Services. This is the monthly case management interim unit rate which will be billed for each Medicaid recipient in the target group each month. Documentation of case management services delivered will be retained in the service worker case files.

The monthly case management interim unit rate is that amount for which the provider will bill the Medicaid Agency for one or more case management services provided to each client in receipt of Medicaid during that month. This "monthly case management unit" will be the basis for billing. A monthly case management unit is defined as the sum of case management activities that occur within the calendar month. Whether a Medicaid client receives twenty hours or two hours or less, as long as some service is performed during the month, only one unit of case management service per Medicaid client will be billed monthly.

This case management rate will be reviewed at the end of each six-month period to determine if an adjustment is necessary. Such adjustment will be made on a prospective basis only utilizing the same methodology.

**QUALIFIED PRIVATE SECTOR PROVIDERS**

The Medicaid Targeted Case Management unit rate for qualified private sector providers will be determined as follows:

Compute the Actual cost of targeted case management and approved for payment during the most recently completed 6 month period for which actual costs data exists.

Divided by Number of units billed and approved for payment in the sample period.

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OTHER TYPES OF CARE

Revised: March 1, 1998

19. Case Management Services (Continued)

**Target Group:**

This service will be reimbursed when provided to children who are Medicaid recipients age 0-20 who are at risk of delinquency as evidenced by being in the care or custody of the Department of Human Services, Division of Youth Services (DYS) or under the care of a designated provider (specified by DYS) for assessment, supervision or treatment.

**Equals** Average unit cost for Medicaid Targeted Case Management services. This unit cost will be billed for each unit of TCM services that each Medicaid recipient in the target group receives each month. Documentation of the units of case management services delivered will be retained in the client files maintained by the subcontractors.

This case management unit rate will be reviewed as needed to determine if an adjustment is necessary. Such adjustment will be made on a prospective basis only utilizing the same methodology.

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DATE REC'D <u>1/14/98</u>	
DATE APPV'D <u>1/21/98</u>	
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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -  
OTHER TYPES OF CARE

June 1, 1993

20. Extended Services for Pregnant Women

- a. Pregnancy-related and postpartum services for 60 days after the pregnancy ends.

Reimbursement for these services is described in Attachment 4.19-A and Attachment 4.19-B, e.g. inpatient hospital, outpatient hospital, physician services, etc.

- b. Services for any other medical conditions that may complicate pregnancy.

Reimbursement is a negotiated rate. Due to the fact that Arkansas was the first state to implement coverage of expanded services for pregnant women under the SOBRA-86 legislation, the agency was unable to find experience from other states from which to draw information. In Arkansas the services are new and the agency had practically no comparable services with which to compare. The initial rates were established using the following resources for substantiation:

- Rates used by South Carolina in a special program for pregnant women.
- Rates requested by the Arkansas Department of Health as determined by anticipated cost analysis for personnel, maintenance and operation.
- Consideration of and comparison with physician office visit rates.
- Funding constraints.

Subsequent adjustments were also negotiated.

STATE <u>Arkansas</u>	A
DATE SENT <u>MAY 05 1993</u>	
DATE APPROVED <u>JAN 18 1995</u>	
DATE SENT <u>JUN 01 1993</u>	
HCFA 179 <u>93-74</u>	

SUPERSEDES: TN - 92-39  
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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -  
OTHER TYPES OF CARE

Revised: July 1, 1997

20. Extended Services for Pregnant Women (Continued)

b. Services for any other medical conditions that may complicate pregnancy. (Continued)

The rates are:

<u>Procedure Code</u>	<u>Procedure Description</u>	<u>Rate</u>	<u>Unit</u>
Z1202	Risk Assessment	\$14.40	Assessment
Z1203	Case Management - Low Risk Pregnancy	\$19.20	Month
Z1204	Case Management - High Risk Pregnancy	\$38.40	Month
Z1205	Perinatal Education	\$ 9.86	Class
Z1206	Social Services Counseling	\$19.00	Visit
Z1207	Nutritional Counseling	\$15.12	Visit

Early Discharge Home Visit - Mother and Baby

New Patient

99341	CPT-4 1997 Code	\$52.00*	Visit
99342	CPT-4 1997 Code	\$65.00*	Visit
99343	CPT-4 1997 Code	\$85.00*	Visit

Established Patient

99351	CPT-4 1997 Code	\$40.00*	Visit
99352	CPT-4 1997 Code	\$53.00*	Visit
99353	CPT-4 1997 Code	\$68.00*	Visit

\*Medicaid maximum was calculated by using 76% of the Blue Shield customary established in January 1992.

STATE <u>Arkansas</u>	A
DATE REC'D <u>5-6-97</u>	
DATE APP'D <u>7-30-97</u>	
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HCFA 179 <u>97-02</u>	

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -  
OTHER TYPES OF CARE

June 1, 1993

21. Ambulatory prenatal care for pregnant women furnished during a presumptive eligibility period by a qualified provider (in accordance with section 1920 of the Act.)

Reimbursement for these services is described in Attachment 4.19-B, e.g. outpatient hospital, physician services, etc.

22. Respiratory care services (in accordance with section 1920(e)(9)(A) through (C) of the Act).  
Not provided.

STATE <u>Arkansas</u>	A
DATE REC'D <u>MAY 05 1993</u>	
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DATE EFF. <u>JUN 01 1993</u>	
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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -  
OTHER TYPES OF CARE

Revised: May 1, 1996

23. Any other medical care and any other type of remedial care recognized under State law, specified by the Secretary.

a. Transportation

- (1) **Ground Ambulance:** Services are reimbursed based on the lesser of the amount billed or the Title XIX (Medicaid) charge allowed. Effective for claims with dates of service on or after May 1, 1996, the Arkansas Medicaid maximum payments are established at 86% of the 1995 Medicare 75th percentile of prevailing charges (non-participating).

The Medicaid maximum for the intermediate transport (level of patient care) is established by averaging the Basic Life Support (BLS) and the Advanced Life Support (ALS) Medicaid rates which were established at 86% of the 1995 Medicare 75th percentile of prevailing charges (non-participating).

- (2) **Air Ambulance:** Reimbursement for fixed wing air ambulance services is based on the lesser of the amount billed or the maximum Title XIX (Medicaid) charge allowed.

Air ambulance reimbursement maximums are based on unaudited costs reflected on provider submitted cost statements. Provider submitted cost statements are used for turboprop and piston propelled aircraft due to the large difference in costs between the aircraft. The provider cost statements are dated June 1, 1992, for turboprop and November 2, 1993, for piston propelled planes.

A maximum per mile was developed which covers the cost of the transportation equipment, the salary of the pilot and non-medical supplies. The maximum for the turboprop is \$4.00 per mile and the maximum for the piston propelled is \$2.00 per mile. A maximum per hour was developed which covers the cost of medical personnel and medical equipment. The maximum per hour for the turboprop is \$150 per hour and the maximum per hour for the piston propelled is \$35.00 per hour.

The State covers round trip or running mileage. The rationale for the above is the expense the provider incurs prior to pickup and delivery of the patient.

STATE <u>Arkansas</u>	A
DATE REC'D <u>03-21-96</u>	
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HCFA 179 <u>96-04</u>	

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -  
OTHER TYPES OF CARE

Revised: February 1, 2000

23. Any other medical care and any other type of remedial care recognized under State law, specified by the Secretary.

a. Transportation (Continued)

(2) Developmental Day Treatment Clinic Services (DDTCS) Transportation

Effective for claims with dates of service on or after February 1, 2000, DDTCS transportation providers will be reimbursed on a per mile basis at the lesser of the billed charges or the maximum Title XIX (Medicaid) charge allowed. Transportation will be covered from the point of pick-up to the DDTCS facility and from the DDTCS facility to the point of delivery. If more than one eligible Medicaid recipient is transported at the same time to the same location, Medicaid may be billed only for one recipient. If more than one Medicaid recipient is transported at the same time to different locations, the provider may bill only for the recipient traveling the farthest distance. The maximum per mile is based on reasonable cost.

The DDTCS transportation providers will submit annual statements of mileage, revenues and expenses, i.e. salaries, repairs, supplies, rent, indirect overhead costs, etc. The State Agency will review the cost and mileage information at least biennially and adjust the reimbursement rate if necessary. Therefore, an inflation factor will not be automatically applied.

(3) ~~Volunteer Transportation: Amount of payment is agreed on by County Human Services Office and the Carrier. Medicaid reimburses the County Human Services Office for the agreed amount.~~

~~The rate of reimbursement equals the amount of travel reimbursement per mile for a state employee. Medicaid reimbursement will not be made for services provided free of charge.~~

STATE	Arkansas	A
DATE REC'D	12/3/99	
DATE APP'D	2/25/00	
DATE EFF	2/1/00	
HCFA 179	99-22	

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -  
OTHER TYPES OF CARE

March 1, 2000

23. Any other medical care and any other type of remedial care recognized under State law, specified by the Secretary.

a. Transportation (Continued)

(3) Non-Emergency

(a) Public Transportation

Effective for dates of service on or after March 1, 2000, the following reimbursement applies to public transportation services in Faulkner, Lonoke and Pulaski counties:

Taxi/Wheelchair Van - Reimbursement is based on the lesser of billed charges or the Title XIX maximum allowable. The billed charges must reflect the same charges made to all other passengers for the same service as determined by the local municipality which issues the permit to operate or by the Interstate Commerce Commission. The Title XIX maximum was established utilizing the 1991 Taxicab Fact Book issued by the International Taxicab and Livery Association. The calculations are as follows:

Taxi - The cost per mile of 1990 plus Market Basket Index of 1991 plus Market Basket Index of 1992 plus 25% = \$1.13 per mile (unit).

Wheelchair Van - Must transport 6 or more passengers comfortably.

The cost per mile of 1990 plus Market Basket Index of 1991 plus Market Basket Index of 1992 plus 65% = \$1.50 per mile (unit). An additional 40% was added to the reimbursement per mile due to the added cost of wheelchair van adaptation for wheelchair accessibility and for additional provider compensation for physically assisting the disabled.

The State Agency will negotiate with the affected provider group representative should recipient access become an issue.

STATE	Arkansas
DATE RECD	4/14/00
DATE APVD	2/25/00
DATE OF	3/1/00
HCI	99-30
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March 1, 2000

23. Any other medical care and any other type of remedial care recognized under State law, specified by the Secretary.

a. Transportation (Continued)

(3) Non-Emergency (Continued)

(b) Non-Public Transportation

Effective for dates of service on or after March 1, 2000, Non-Public Transportation Services reimbursement for Faulkner, Lonoke and Pulaski counties is based on the lesser charges or the Title XIX maximum allowable. The Title XIX maximum is based on the Internal Revenue Service (IRS) reimbursement for private mileage in a business setting, plus an additional allowance for the cost of the driver. The standard mileage private reimbursement is compliant to the 1997 Standard Federal Tax Report, paragraph #8540.011. The calculation of the additional allowance for the cost of the driver is based on the minimum wage per hour, plus 28% of salaries (minimum wage) for fringe benefits, plus a fixed allowance of \$2.11 for the provider's overhead and billings, divided by 30 (average number of miles per trip). The average number of miles was determined by utilizing data from SFY 1996 and dividing the number of miles per trip by the number of trips made.

The State Agency will negotiate with the affected provider group representatives should recipients access become an issue.

(4) Volunteer Transportation: Amount of payment is agreed on by County Human Services Office and the Carrier. Medicaid reimburses the County Human Services Office for the agreed amount.

The rate of reimbursement equals the amount of travel reimbursement per mile for a state employee. Medicaid reimbursement will not be made for services provided free of charge.

(5) Domiciliary Care: Fixed price set by Assistant Director, Division of Medical Services, based on reasonable cost. The provider submits a statement of expenses, i.e. salaries, repairs, supplies, rent, etc. for their past fiscal year. These costs are reviewed by the State's auditors for reasonableness. These costs are reviewed annually and adjusted if necessary, therefore, an inflation factor is not applied.

The cost of meals and lodging are provided only when necessary in connection with transportation of a recipient to and from medical care.

STATE	Arkansas
DATE REC'D	4/14/00
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